South Dakota Lottery Commission Meeting December 5th, 2019



Executive Director Comments



Executive Director Comments

- FY19 Sales Audited
 - Instant \$32.24 Million (8.1%)
 - Transfer \$6.9 million (7.8%)
 - Lotto \$30.71 Million (11.8%)
 - Transfer \$8.26 million
 - Video Lottery \$113.97 Million (4.5%)
- Audits
 - Annual Audit
- Advertising and Related Services Request for Proposals
- Personnel
- 2020 Legislation



FY21 Instant/Online and Video Lottery Budget Requests



IGT System Conversion Update



IGT System Conversion Update

- Converted November 5
- Batch Releases
 - Nov 13, Nov 20 and Dec 4
 - Quarterly Releases planned in CY20
- Hand Off to Services Team Dec 6
- Failover to BDC Jan 2020
- Business Intelligence Training Jan 6-8



Video Lottery Conversion Update



Timeline

- Publish RFP January 31, 2018
- Vendors Submit Questions February 23, 2018
- Lottery Responds to Questions March 9, 2018
- Vendors Submit 2nd Round of Questions March 16, 2018
- Lottery Responds to 2nd Round of Questions March 30, 2018
- Proposals Submission Deadline April 20, 2018
- Evaluate Proposals-including demonstrations and site visits May-August, 2018
- South Dakota Lottery Commission meeting September 12, 2019



Negotiated Price

Connexus System \$2,769,189

	FY13	FY14	FY15	FY16	FY17
Basic License and Service Fee (0.28%)	\$516,994	\$518,691	\$557,564	\$581,287	\$594,653
Total	\$516,994	\$518,691	\$557,564	\$581,287	\$594,653

Cost to set Up a Site

	Purchase
Site Controller	\$2,395
Cellular (Monthly)	\$45
One Time Connection Fee	\$125
Total Cost per site	\$2,565

Total 7 year Cost per Site

	Purchase
Site Controller	\$2,395
Cellular (\$45/month)	\$3,780
One Time Connection Fee	\$125
Total 7 year Cost	\$6,300



New System Benefits

- Handles multiple communication protocols
- Ticket Validations by Site Controller
- One user interface single point of entry, one click configuration
- Monitors both VLT's and Site Controllers
- Real Time Communications
 - Download of software upgrades
 - Remote configuration of site controllers
- Robust reporting and business intelligence tools
- One System Conversion
- Duplex Primary and Duplex Backup Systems



Site Controller Benefits

- Multiple communication protocols
- Ticket Validations
- Real Time Communications
 - Download of software upgrades
 - Remote configuration of site controllers
- Messages/Reports
 - Messages to Site Controller
 - Reports/Redemption Tickets
- SG Support



Site Controller Pilot Project

SDL - Voucher Redemption Statistics for SC Pilot Sites									
Venue_Name	Address	City	Install_Date	SAS VLTs	GMMS VLTs	Total VLTs	Total Vouchers	Redeemed Vouchers	Redemption %
American Legion Home Association - Rapid City	American Legion Post 22	Rapid City	10/22/2019	4	6	10	224	194	86.61%
Connexions +	5415 W 41st St	Sioux Falls	10/21/2019	5	5	10	980	932	95.10%
Corner Pantry #21	4602 E Hwy 44	Rapid City	10/22/2019	4	4	8	521	319	61.23%
Corner Pantry #22 -Ft Pierre-	904 N Deadwood	Ft. Pierre	10/16/2019	5	5	10	423	290	68.56%
Cowboy Country Stores #6-	620 N. Euclid	Pierre	10/16/2019	4	5	9	659	81	12.29%
Crown Casino on Cliff	904 S Cliff Ave	Sioux Falls	10/17/2019	7	3	10	1577	1506	95.50%
Deuces #7 - SF	4709 E 26th St	Sioux Falls	10/17/2019	7	3	10	1795	1661	92.53%
Deuces Casino 3.5	5115 E. Arrowhead Parkway	Sioux Falls	10/17/2019	5	5	10	544	153	28.13%
Happy Jack's Omaha	1109 West Omaha	Rapid City	10/17/2019	5	5	10	917	57	6.22%
Happy Jacks - East	909 East St Patrick	Rapid City	10/21/2019	7	3	10	971	292	30.07%
lappy Jacks - Pierre	420 S Coteau St	Pierre	10/16/2019	6	4	10	1189	1179	99.16%
Happy Jacks - Sioux Falls	1915 W 12th Street	Sioux Falls	10/16/2019	6	4	10	1643	1627	99.03%
Happy Jacks I-90	4036 Cheyenne Blvd	Rapid City	10/17/2019	5	5	10	855	236	27.60%
Krav'n	3512 W 74th St	Sioux Falls	10/16/2019	4	6	10	1306	1282	98.16%
acrosse Street Casino #1	720 Lacrosse Street - Building A	Rapid City	10/17/2019	6	4	10	1498	1380	92.12%
ucky D's Casino II	1330 E St Patrick Suite 2	Rapid City	10/22/2019	3	7	10	485	408	84.12%
Market Square Casino	1624 E St Patrick Street	Rapid City	10/21/2019	6	4	10	1094	994	90.86%
лсNally's Irish Pub	6211 Old Village Place	Sioux Falls	10/16/2019	5	5	10	732	710	96.99%
Лoose Lodge #875 - Mitchell	516 West 15th Street	Mitchell	10/15/2019	3	5	8	386	344	89.12%
Northside Sinclair	1905 N Main St	Mitchell	10/15/2019	5	4	9	463	446	96.33%
oppadox Pub	2808 South Minnesota Avenue	Sioux Falls	10/21/2019	3	6	9	243	39	16.05%
Rimrock Holdings LLC	12300 S Dakota 44	Rapid City	10/17/2019	5	3	8	453	379	83.66%
henanigan's Casino - Rapid City	3788 East Hwy 44	Rapid City	10/22/2019	5	5	10	712	708	99.44%
he Attic Bar	4601 E 41st Street	Sioux Falls	10/16/2019	4	6	10	1571	1549	98.60%
/FW Post #2750 - Mitchell	215 North Main	Mitchell	10/24/2019	3	2	5	166	125	75.30%
			TOTALS	122	114	236	21407	16891	78.90%

Projects Next Steps

- Tentative timeframe:
 - December 12, 2019 Lottery Staff, GLI, and SGI
 - January –February 2020 Scientific Games Townhall meetings
 - January 2020 April 2020 System Rules Gathering
 - May 2020 IP Cell/Connexus Pilot Project
 - June 2020 Converting to SG Connexus Central Monitoring and Control System.
 - July-August 2020 Site Controller and IP cell rollout
 - December 2020 Conversion Complete



Marketing Report

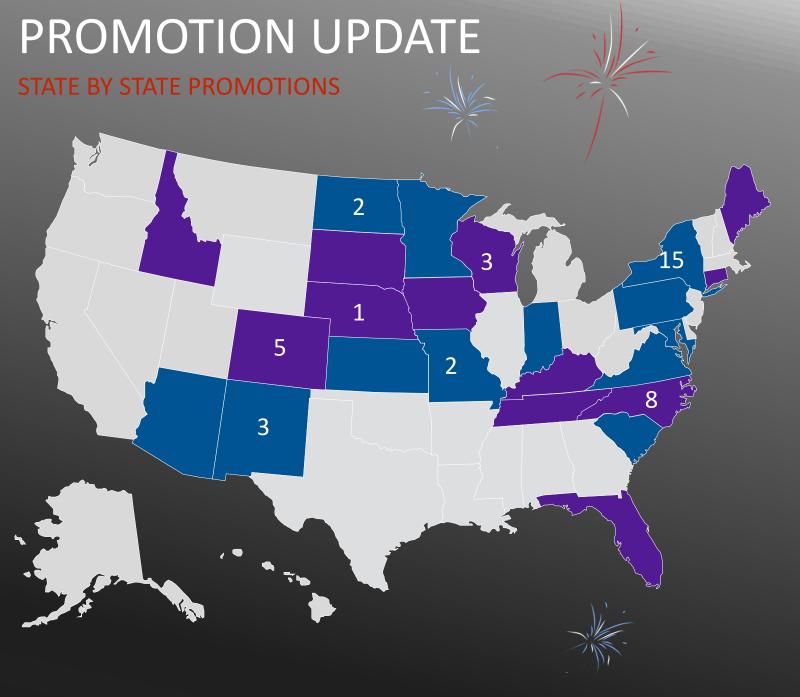


New Years Rock'n Eve









LOTTERY LOCATION	PROMO END DATE	TOTAL WINNERS
WISCONSIN	May 25	3
COLORADO #1	July 4	5
MISSOURI	August 18	12
NORTH CAROLINA	August 30	20
TENNESSEE	August 30	10
FLORIDA	August 31	50
NORTH DAKOTA	August 31	2
COLORADO #2	September 2	5
ARIZONA	September 8	25
MAINE	September 14	15
SOUTH DAKOTA	September 15	2
CONNETICUT	September 14	10
PENNSYLVANIA	September 26	25
KENTUCKY	September 29	5
NEBRASKA	September 29	3
IOWA	September 30	4
INDIANA	September 30	8
KANSAS	September 30	4
MINNESOTA	September 30	10
NEW MEXICO	September 30	10
NEW YORK	September 30	40
VIRGINIA	September 30	20
WASHINGTON DC	September 30	5
MARYLAND	October 6	5
IDAHO	October 9	2
SOUTH CAROLINA	October 12	5



ASHTON HARRIS
MARISA PRATT







VIP check-in & concierge experience

VIP Welcome Reception, Edison Ballroom

Introduce Yolanda Vega (Weekend MC) & Jessie James Decker (TV Correspondent)

RNG Content Presentation

Announce 5 Finalists

Performance by the Beach Boys

Breakfast at Crown Plaza

"Christmas Spectacular Starring the Radio City Rockettes"

Radio City VIP Tour

Digital Content Capturing Event

Holiday Cruise via Hornblower Infinity on the Hudson River (includes dinner, activations & entertainment)

Breaksfast at Crown Plaza

NYE Party at the Crown Plaza (includes dinner, activations, entertainment, street access to Powerball Pen for ball-drop)

LIVE TV moments

Performance by Jessie James Decker

New Years Rock'n Eve

- "I basically kind of forgot about the contest," Engen said. "It was kind of funny because I was looking at my email on my phone and was wondering if I was reading this right. I wasn't quite believing it. It really didn't sink in until I got the prize affidavit in the mail. I was just kind of shocked at first."
- "I am looking forward to Rockefeller Center and seeing the Christmas tree lit up in person," Plunkett said. "We always see it on television so it will be excited to see that. Believe it or not, my husband and I saw the Rockettes a few years back, and they put on an amazing show. I'm really excited to see that again. I'm curious about the Hudson cruise and what that will entail. I can only imagine how beautiful it's going to be at that time of year."

2019 Holiday Campaign





2019 Holiday Campaign







Holiday 2nd Chance Drawing



IT'S A MAJOR AWARD

A holiday classic since 1983, *A Christmas Story*™ inspired our new holiday scratch game and 2nd Chance drawing. Enter all non-winning tickets for your chance at one of twelve A Christmas Story™ themed prize packs!

Each prize pack includes playing cards, a tumbler, fleece blanket, bunny slippers and your very own desktop leg lamp!



2019 Holiday Campaign



DON'T FORGET: SCRATCH TICKETS AREN'T A SUITABLE GIFT FOR MINORS

In partnership with the National Council on Problem Gambling (NCPG), the South Dakota Lottery notes that providing scratch tickets to minors is risky. Research shows problem gambling can be established at a young age and lottery play is sometimes an introduction to these activities.



2019 Holiday Campaign





Upcoming Campaigns

- Rapid City Rush
 - Sponsor night Dec & Feb
 - Ticket giveaways
 - Banner
 - 2nd goal of night Promotion

Rapid City Rush Sponsor





Upcoming 2nd Chance Drawings

Polaris 2nd Chance Draw Drawing

January 22, 2020

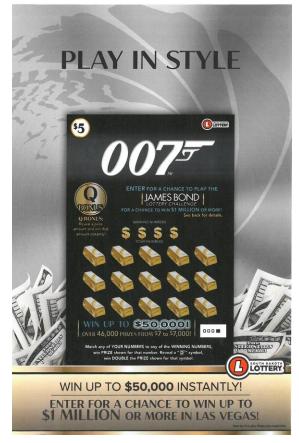




Holiday Ticket 2nd Chance Drawing
January 31, 2020

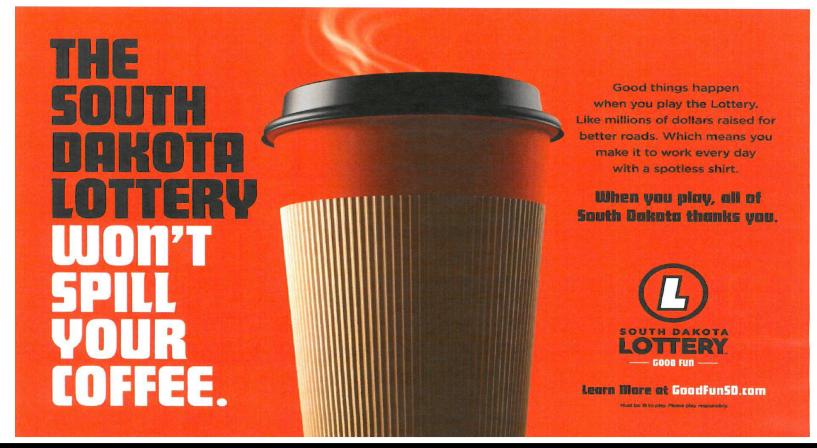


Upcoming Campaigns





Brand Beneficiary Campaign

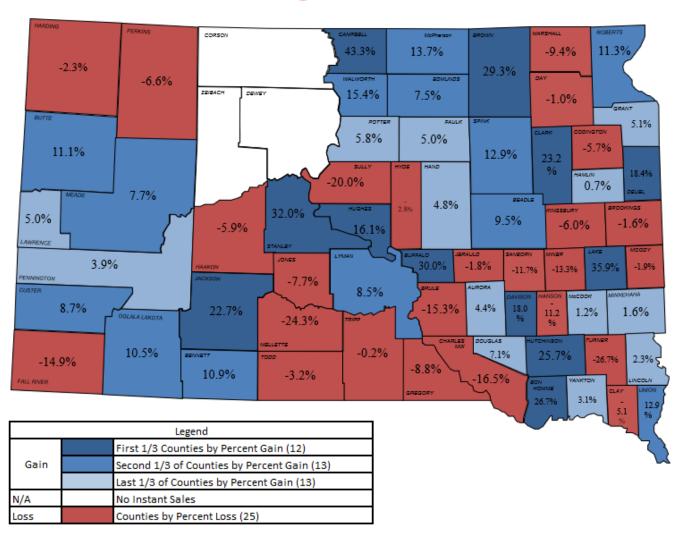




FY20 Instant/Online Review



YoY % Change in Instant Sales

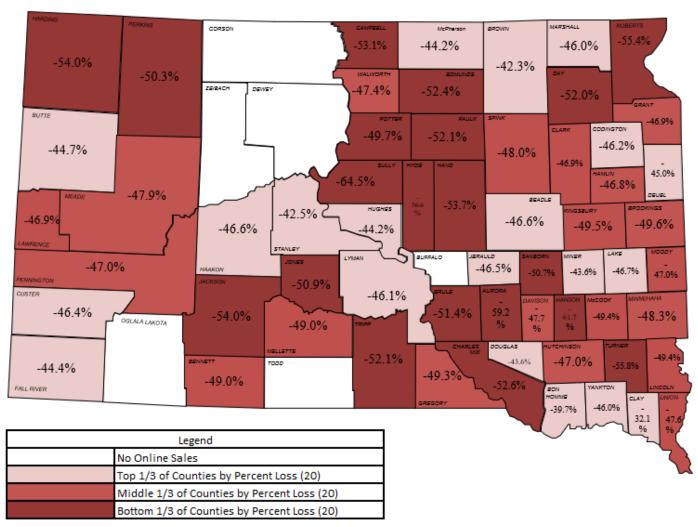




City	FY19 Online Sales	FY20 Online Sales	\$ Change	% Change
Sioux Falls	\$2,629,190	\$2,680,426	\$51,236	1.95%
Rapid City	\$1,427,940	\$1,504,299	\$76,359	5.35%
Aberdeen	\$365,729	\$468,699	\$102,970	28.15%
Watertown	\$388,009	\$364,829	-\$23,180	-5.97%
Mitchell	\$254,428	\$300,350	\$45,922	18.05%
Brookings	\$287,577	\$273,035	-\$14,542	-5.06%
Pierre	\$228,681	\$268,146	\$39,465	17.26%
Spearfish	\$257,963	\$257,773	-\$190	-0.07%
Huron	\$230,524	\$253,647	\$23,123	10.03%
Yankton	\$242,437	\$246,515	\$4,078	1.68%
Sturgis	\$203,510	\$228,444	\$24,934	12.25%
Pine Ridge	\$133,185	\$147,646	\$14,461	10.86%
Belle Fourche	\$129,910	\$143,393	\$13,483	10.38%
Madison	\$103,427	\$142,979	\$39,552	38.24%
Hot Springs	\$179,503	\$141,331	-\$38,172	-21.27%
Rest of the state	\$3,403,016	\$3,522,478	\$119,462	3.51%
State Total	\$10,465,029	\$10,943,990	\$478,961	4.58%



YoY % Change in Online Sales





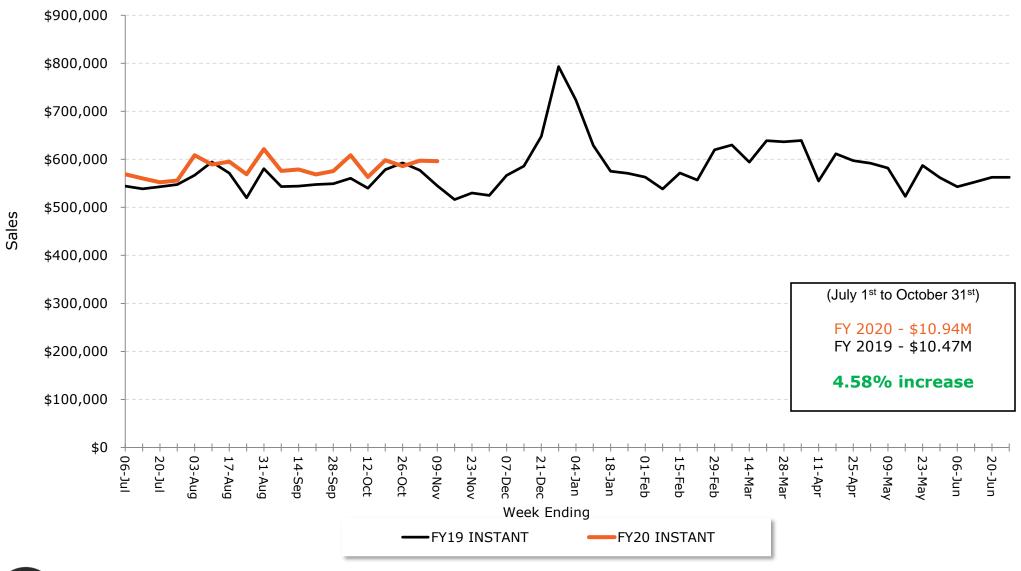
City	FY19 Online Sales	FY20 Online Sales	\$ Change	% Change
Sioux Falls	\$2,921,171	\$1,521,347	-\$1,399,824	-47.92%
Rapid City	\$1,727,109	\$920,848	-\$806,261	-46.68%
Aberdeen	\$589,334	\$341,625	-\$247,709	-42.03%
Watertown	\$606,534	\$324,328	-\$282,206	-46.53%
Pierre	\$390,408	\$218,746	-\$171,662	-43.97%
Mitchell	\$386,994	\$202,233	-\$184,761	-47.74%
Brookings	\$320,155	\$168,965	-\$151,190	-47.22%
Spearfish	\$316,916	\$167,458	-\$149,458	-47.16%
Yankton	\$406,517	\$163,105	-\$243,412	-59.88%
Huron	\$239,390	\$128,259	-\$111,131	-46.42%
Sturgis	\$224,090	\$121,266	-\$102,824	-45.89%
Vermillion	\$143,789	\$99,313	-\$44,476	-30.93%
Madison	\$156,009	\$84,920	-\$71,089	-45.57%
Hot Springs	\$148,357	\$84,115	-\$64,242	-43.30%
Belle Fourche	\$145,210	\$79,341	-\$65,869	-45.36%
Rest of the state	\$4,419,995	\$2,291,297	-\$2,128,698	-48.16%
State Total	\$13,141,978	\$6,917,166	-\$6,224,812	-47.37%



Sales Report



Instant Ticket Sales





Instant Top Prize Winners

\$100,000



Christine Cariveau
Florence
\$10 Diamond 7's



\$100,000



Aron Gross
Aberdeen
\$10 Diamond 7's



- \$250,000 \$250,000 Multiplier (Mitchell)
- \$100,000 50X (Miller)
- \$50,000 Snowflake (Rapid City)
- \$30,000 Bingo (Yankton)
- \$12,000 Deuces Wild (Sioux Falls)
- \$10,000 10X (Bonesteel)
- \$10,000 Payday Multiplier (Sisseton)
- \$10,000 50X (Sioux Falls)
- \$10,000 \$100,000 Fortune (Sioux Falls)
- \$10,000 \$250,000 Multiplier (Brookings)
- \$10,000 Payday Multiplier (Sioux Falls)
- \$5,000 Goat Load of Cash (Spearfish)
- \$5,000 \$100,000 Fortune (Madison)

Instant Prize Winners

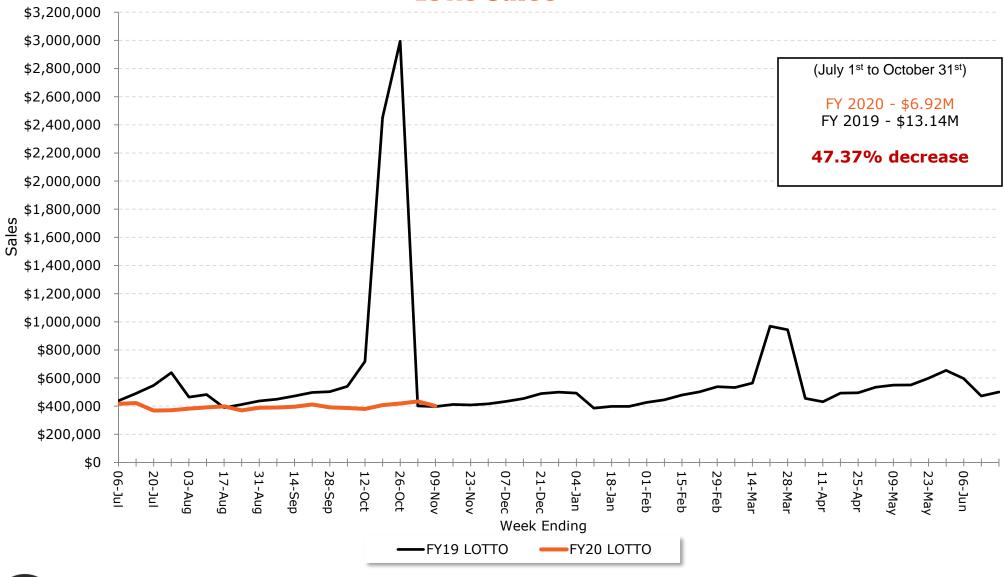
Over 27 \$1,000 Winners

Over 495 \$500 Winners

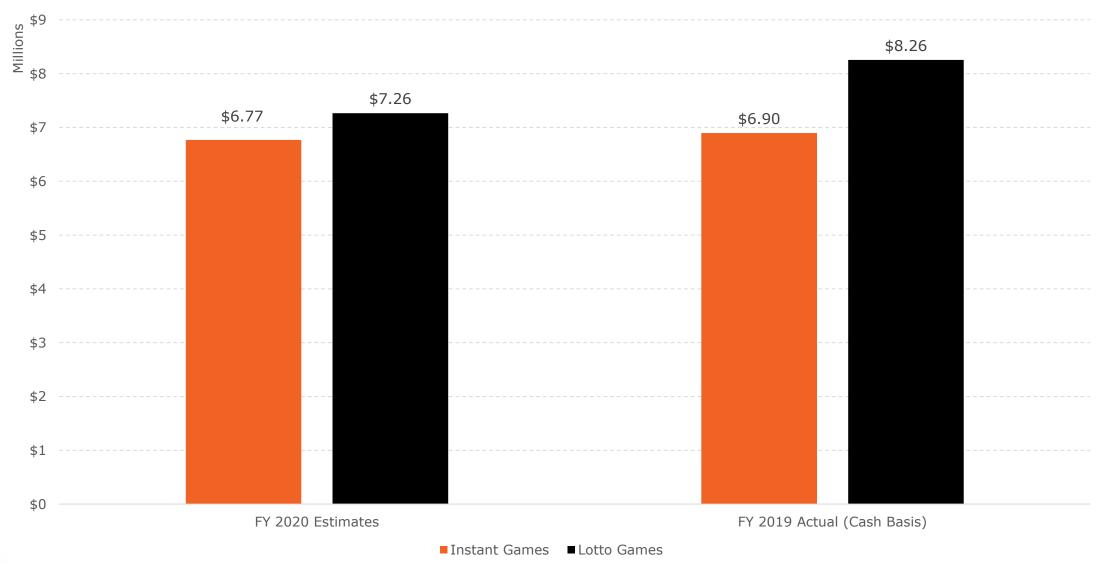




Lotto Sales

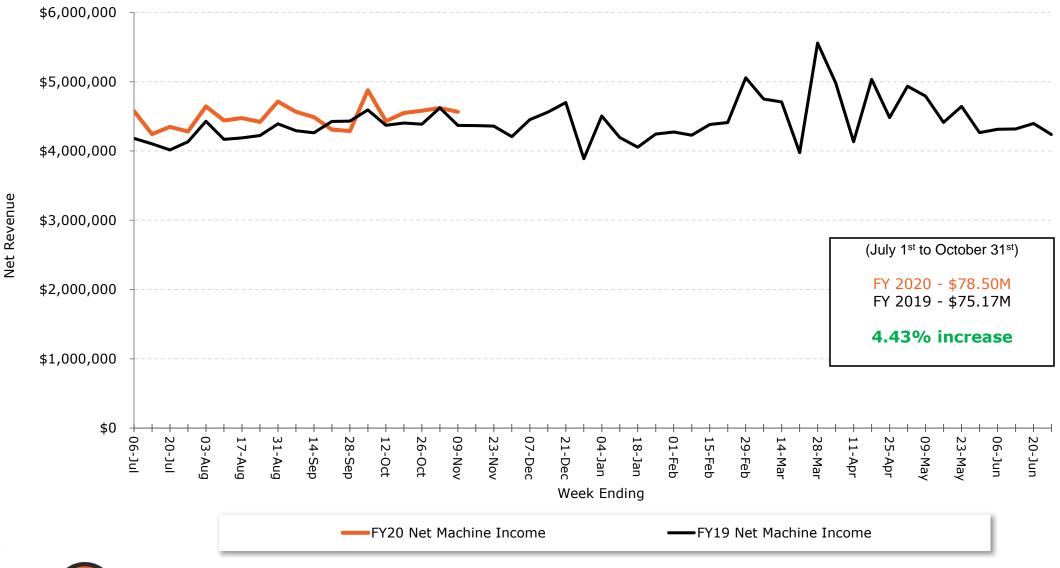


Instant and Online FY20 Revenue Projections as of October 31, 2019



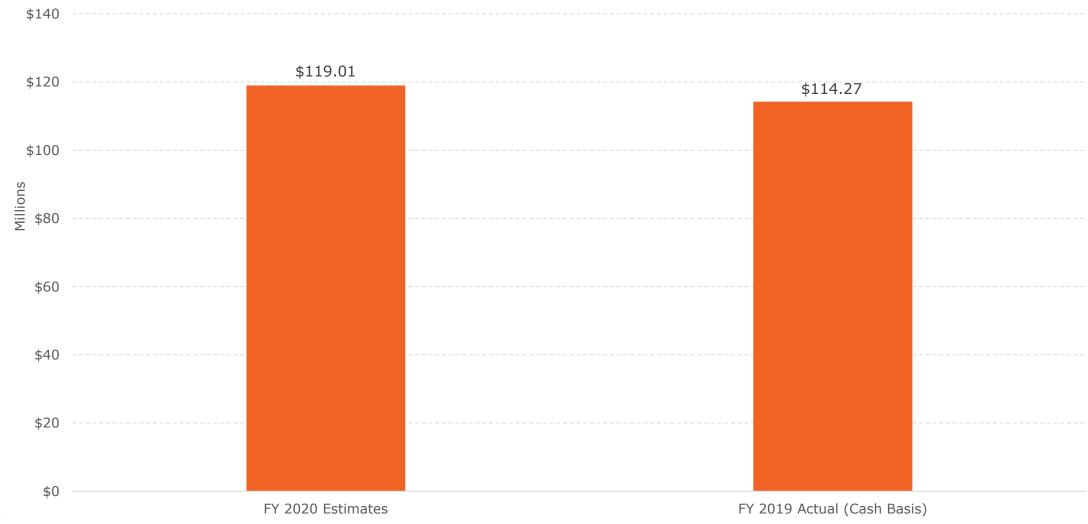


Video Lottery Net Machine Income



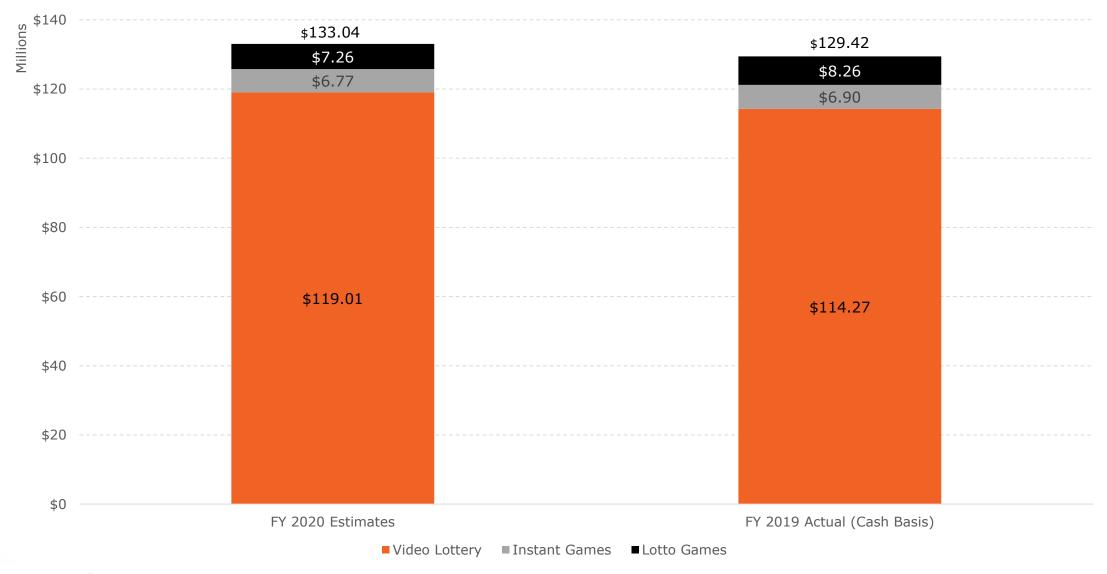


Video Lottery FY20 State Share Revenue Projection as of October 31, 2019





Total FY20 Revenue Projections as of October 31, 2019





Quick Glance at our New Instant/Lotto System

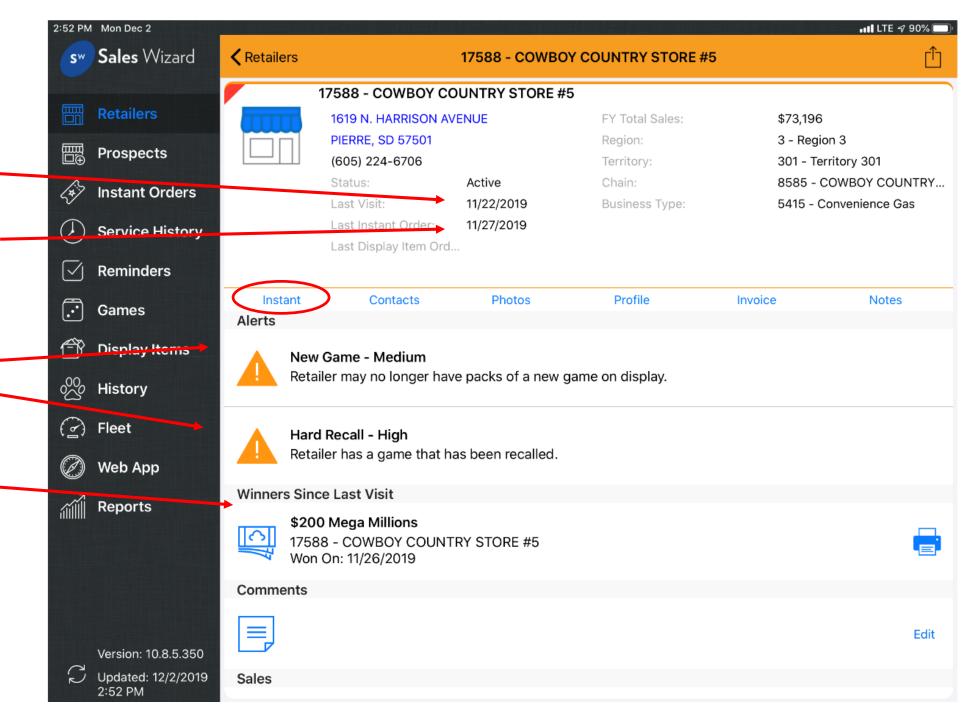
Sales Wizard

Last Visit Date

Last Instant Order

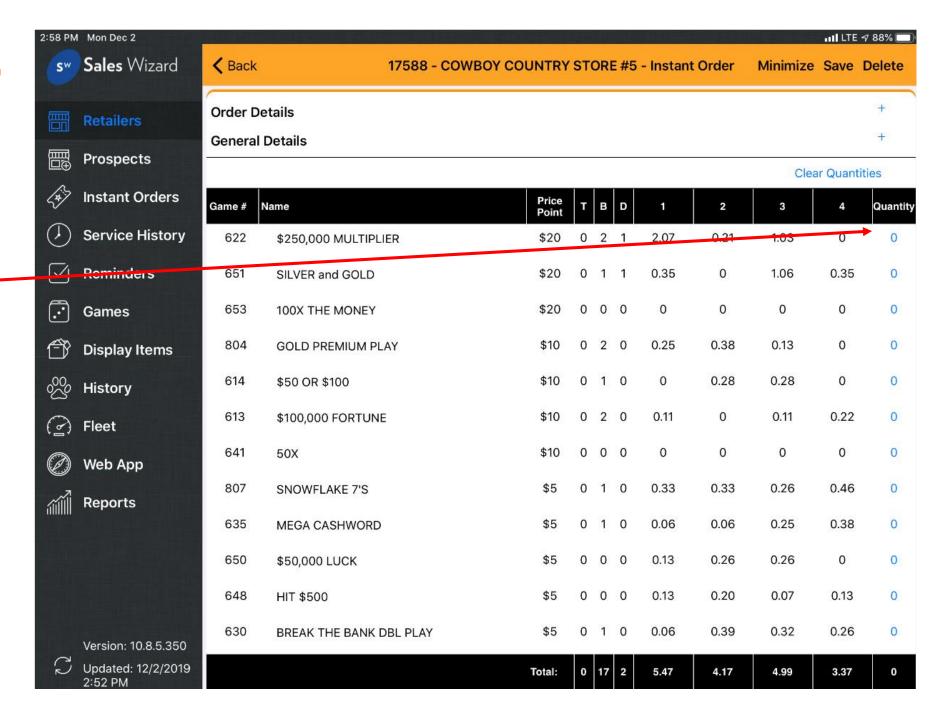
Alerts

Winners



Instant Ticket Inventory

Order — Tickets Right from the Store



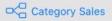
Sales by Price Point

10:08 AM Tue Dec 3 **〈** Back ☐ sw Sales Wizard **Category Sales** 7.09% ¬ - 18.19% **Prospects** 15.4% -**Instant Orders** Service History **—** 17.75% 12.99% -Reminders \odot Games **Display Items** 28.58% History **\$20 \$10** \$2 **5 \$3** Fleet 13 Week Average Comparative Sales Web App Reports

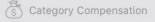
Туре	This Year	%	Last Year	Territory	Region	State	Zip Code	Business Type
\$20	\$175	18.19%	\$91	\$135	\$142	\$192	\$165	\$206
**	92		93%	29%	24%	-9%	6%	-15%
\$10	\$171	17.75%	\$162	\$104	\$125	\$163	\$156	\$177
			6%	64%	36%	4%	9%	-4%
\$5	\$275	28.58%	\$246	\$142	\$193	\$244	\$232	\$260
	ocalistets:		12%	94%	42%	13%	19%	6%

Version: 10.8.5.350

Updated: 12/3/2019 10:08 AM







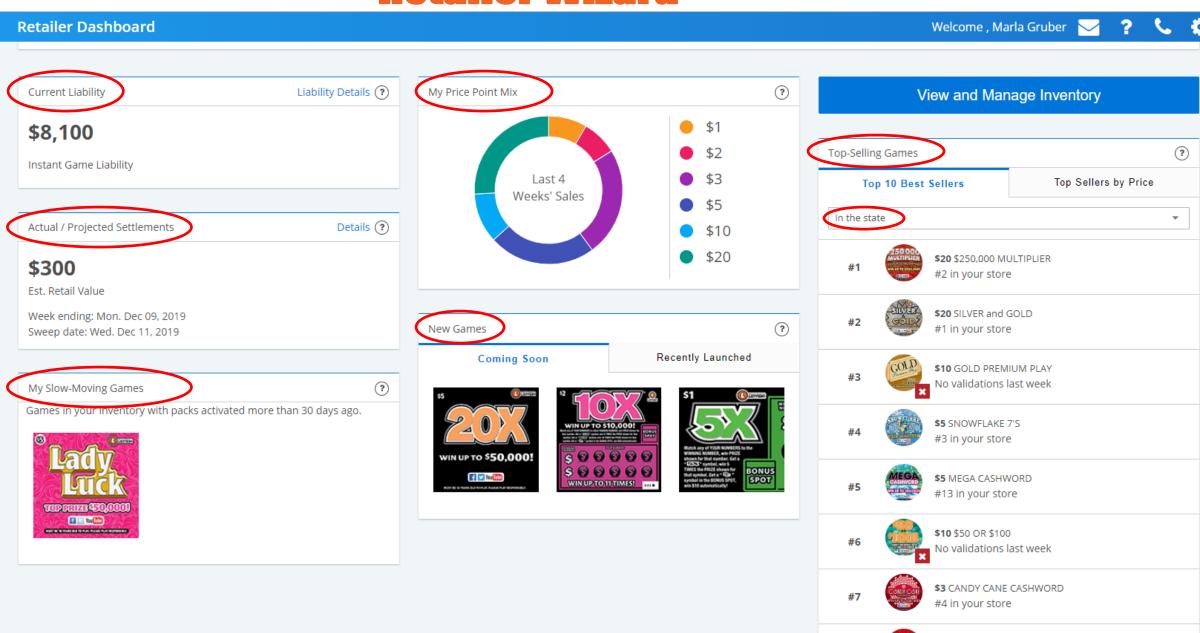


\$1

...I LTE \$ 62% □

Category

Retailer Wizard



\$10 \$100,000 FORTUNE #11 in your store

Retailer Wizard

Report Options:

1.Daily Sales Summary
2.Weekly Invoice
3.Billing Statement
4.Inventory Snapshot

Invoice for the Week of 11/25/2019

COWBOY COUNTRY STORES, 1619 N. HARRISON AVENUE, PIERRE SD 57501
Retailer ID: 8585

\$3,033.37 Total EFT due 11/27/2019

Summary			
Item	Draw Games	Instant Games	Tota
Previous Balance	\$0.00	\$0.00	\$0.00
EFT Payment	\$1,802.58	\$1,230.79	\$3,033.37
Gross Sales	\$2,267.00		\$2,267.00
Net Sales	\$2,267.00	\$2,700.00	\$4,967.00
Settlements		\$2,700.00	\$2,700.00
Net Returns		\$0.00	\$0.00
Credits	-\$364.00	-\$1,321.00	-\$1,685.00
Earnings	-\$113.35	-\$148.21	-\$261.56
Fees	\$12.93	\$0.00	\$12.93
Adjustments	\$0.00	\$0.00	\$0.00
Total EFT Sweep Amount	\$1,802.58	\$1,230.79	\$3,033.37
Draw Sales			
Draw Sales Game			Tota
Game			\$415.00
Game Dakota Cash			\$415.00 \$47.00
Game Dakota Cash EZMA for csh5			\$415.00 \$47.00 \$522.00
Game Dakota Cash EZMA for csh5 Mega Millions			\$415.00 \$47.00 \$522.00 \$896.00
Game Dakota Cash EZMA for csh5 Mega Millions Powerball			\$415.00 \$47.00 \$522.00 \$896.00 \$262.00
Game Dakota Cash EZMA for csh5 Mega Millions Powerball Lucky for Life			\$415.00 \$47.00 \$522.00 \$896.00 \$262.00 \$125.00
Game Dakota Cash EZMA for csh5 Mega Millions Powerball Lucky for Life Lotto America	turns		\$415.00 \$47.00 \$522.00 \$896.00 \$262.00 \$125.00
Game Dakota Cash EZMA for csh5 Mega Millions Powerball Lucky for Life Lotto America Total Draw Sales	turns		\$415.00 \$47.00 \$522.00 \$896.00 \$262.00 \$125.00 \$2,267.00
Game Dakota Cash EZMA for csh5 Mega Millions Powerball Lucky for Life Lotto America Total Draw Sales Instants, Settlements & Ref	turns		\$415.00 \$47.00 \$522.00 \$896.00 \$262.00 \$125.00 \$2,267.00
Game Dakota Cash EZMA for csh5 Mega Millions Powerball Lucky for Life Lotto America Total Draw Sales Instants, Settlements & Ref	turns		\$415.00 \$47.00 \$522.00 \$896.00 \$262.00 \$125.00 \$2,267.00
Dakota Cash EZMA for csh5 Mega Millions Powerball Lucky for Life Lotto America Total Draw Sales Instants, Settlements & Ref. Type Settled Packs Total Amount	turns		Total \$415.00 \$47.00 \$522.00 \$896.00 \$262.00 \$125.00 \$2,267.00 Total



🗊 Advanced | 🏖 Run

Enter Rank Criteria:

Enter Begin Date 11/1/2019

Enter End Date

Enter County (optional)

Enter Route (optional)

Enter Region (optional)

11/30/2019

Total Sales

Enter # of Retailers to Rank

M/d/yyyy

M/d/yyyy

•

O

Top Retailer Report

Start Date: 11/01/2019 End Date: 11/30/2019 County: ALL Route: ALL Region: ALL # of Retailers to Rank: 30 Enter Rank Criteria: Total Sales Last Run Date: 12/02/2019

Retailer Name	Retailer	Chain #	Business Code	Business Description	City	County	Zip	Route#	Instant Sales	Draw Sales	Total Sales	Total Sales Rank
HY-VEE, INC.	14517	8518	5425	Grocery Store	SIOUX FALLS	Minnehaha	57106	0101	\$9,900.00	\$20,204.00	\$30,104.00	1
HY-VEE FOOD STORES, INC. #3	210524	8518	5425	Grocery Store	SIOUX FALLS	Minnehaha	57105	0101	\$9,310.00	\$17,052.00	\$26,362.00	2
HY-VEE FOOD STORES, INC. #2	210522	8518	5425	Grocery Store	SIOUX FALLS	Minnehaha	57106	0101	\$8,338.00	\$16,287.00	\$24,625.00	3
BIG BAT'S #1	15943		5415	Convenience Gas	PINE RIDGE	Oglala Lakota	57770	0201	\$24,022.00		\$24,022.00	4
KUM & GO #631	16741	8122	5415	Convenience Gas	SIOUX FALLS	Minnehaha	57103	0102	\$16,086.00	\$6,106.00	\$22,192.00	5
SHOP 'N CART NORTHEAST	14257	8247	5415	Convenience Gas	SIOUX FALLS	Minnehaha	57103	0104	\$18,286.00	\$3,110.00	\$21,396.00	6
YELLOW BIRD'S	13187		5415	Convenience Gas	PINE RIDGE	Oglala Lakota	57770	0201	\$21,300.00		\$21,300.00	7
GAS STOP HOLIDAY 125	17564	8881	5415	Convenience Gas	SIOUX FALLS	Minnehaha	57107	0101	\$13,758.00	\$7,425.00	\$21,183.00	8
JOHNSON SIDING GENERAL STORE	17050		5415	Convenience Gas	RAPID CITY	Pennington	57702	0201	\$17,220.00	\$3,353.00	\$20,573.00	9
E-Z STOP FOOD MART	10068		5415	Convenience Gas	ABERDEEN	Brown	57401	0401	\$12,000.00	\$7,934.00	\$19,934.00	10
LUVERNE SUPERMARKET, INC.	15064	8530	5425	Grocery Store	SIOUX FALLS	Minnehaha	57104	0104	\$10,800.00	\$8,809.00	\$19,609.00	11
D & J STATION, INC GAS STOP	15655		5415	Convenience Gas	SIOUX FALLS	Minnehaha	57103	0101	\$8,794.00	\$10,802.00	\$19,596.00	12
THE GAS STOP #115	16854	8881	5415	Convenience Gas	SIOUX FALLS	Lincoln	57108	0101	\$11,246.00	\$8,163.00	\$19,409.00	13
HY-VEE FOOD STORE	210520	8518	5425	Grocery Store	YANKTON	Yankton	57078	0101	\$7,200.00	\$11,933.00	\$19,133.00	14
HY-VEE FOODSTORE #7	16523	8518	5425	Grocery Store	SIOUX FALLS	Minnehaha	57104	0101	\$7,484.00	\$11,074.00	\$18,558.00	15
CLASSIC CORNER CONVENIENCE	17541		5415	Convenience Gas	MADISON	Lake	57042	0102	\$13,800.00	\$4,629.00	\$18,429.00	16
YESWAY #1186	17495	8489	5415	Convenience Gas	RAPID CITY	Pennington	57701	0204	\$9,162.00	\$9,229.00	\$18,391.00	17
ORCHARD MEADOWS COMMON CENTS	17219	8101	5415	Convenience Gas	RAPID CITY	Pennington	57703	0201	\$9,756.00	\$8,503.00	\$18,259.00	18
KUM & GO #633	16999	8122	5415	Convenience Gas	SIOUX FALLS	Minnehaha	57104	0102	\$13,800.00	\$4,292.00	\$18,092.00	19
HY-VEE FOOD STORE #6 - GAS	16486	8518	5425	Grocery Store	SIOUX FALLS	Lincoln	57108	0101	\$10,346.00	\$7,721.00	\$18,067.00	20
THE GAS STOP #120	13631	8626	5415	Convenience Gas	SIOUX FALLS	Minnehaha	57105	0101	\$14,222.00	\$3,813.00	\$18,035.00	21
THE GAS STOP #124	15001	8626	5415	Convenience Gas	SIOUX FALLS	Minnehaha	57106	0101	\$8,720.00	\$8,952.00	\$17,672.00	22

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